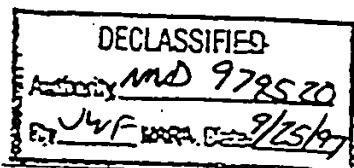


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1975/10/21



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MEMORANDUM

THE WHITE HOUSE

WASHINGTON

MEMORANDUM OF CONVERSATION

PARTICIPANTS:

Teng Hsiao-p'ing, Vice Premier of the State Council,
People's Republic of China
Ch'iao Kuan-hua, Minister of Foreign Affairs
Amb. Huang Chen, Chief of PRCLO, Washington
Wang Hai-jung, Vice Minister of Foreign Affairs
Lin P'ing, Director of American & Oceanic
Affairs, MFA
T'ang Wen-sheng, Deputy Director of American &
Oceanic Affairs, MFA, (Interpreter)
Chien Ta-yung, Counselor, PRCLO, Washington
Ting Yüan-hung, Director for U. S. Affairs,
American & Oceanic Affairs, MFA
Chao Chi-hua, Deputy Director for U. S. Affairs,
American & Oceanic Affairs, MFA
Mrs. Shih Yen-hua, MFA, (Interpreter)
(plus two notetakers)

Dr. Henry A. Kissinger, Secretary of State
and Assistant to the President
for National Security Affairs
Amb. George H. W. Bush, Chief of USLO, Peking
Helmut Sonnenfeldt, Counselor of the Department
Winston Lord, Director, Policy Planning Staff
Amb. Philip C. Habib, Assistant Secretary
for East Asian and Pacific Affairs
William H. Gleysteen, Jr., Deputy Assistant
Secretary for East Asian and Pacific Affairs
Peter W. Rodman, NSC Staff *PR*
Miss Anne Boddicker, White House (notetaker)

DATE AND TIME:

Tuesday - October 21, 1975
5:07 - 6:08 p. m.

PLACE:

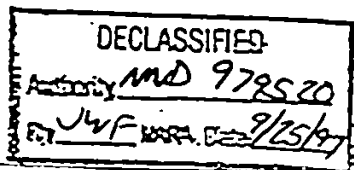
The Great Hall of the People
Peking

SUBJECT:

Southern Flank of Europe

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CLASSIFIED BY Henry A. Kissinger
EXEMPT FROM GENERAL DECLASSIFICATION
SCHEDULE OF EXECUTIVE ORDER 11652
EXEMPTION CODE BY 5 (b) (3)
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[The press takes photos while the group is seated.]

Kissinger: Not all of us have recovered from the luncheon yet.

Teng: Yes, it seemed very arduous.

As you know, you cannot have a hot pot except in a very relaxed atmosphere because that will take a half hour.

Kissinger: I have not walked so much since I was in the infantry during the war. [Laughter] To me this is a Great March. [Laughter].

Teng: Yes, and when I was on the Long March I walked half the 25,000 li on foot; the other half was on the back of some kind of animal, a horse or such. At that time the highest luxury was to have one horse for each man.

Kissinger: I can imagine.

[The press leaves.]

Teng: So today we still have a bit of time left. Although it isn't very great, we still have the opportunity to have an exchange of views. Yesterday we had the opportunity to exchange opinions with you on questions pertaining to the international situation, policy and strategic. We think the exchange of views was frank, and we feel that such an exchange is beneficial for mutual understanding and also to the further development of possible cooperation between our two sides.

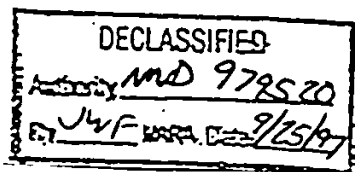
Kissinger: I agree.

Teng: So as for the questions pertaining to strategy, we don't have anything new to say on our side. And if you have nothing new to say on your side, then we can perhaps stop right here on that issue and turn to something else. But if you wish to tell us anything on that or any other position, you can tell us that.

Kissinger: I agree we have covered the issue of strategy and stated the various approaches. I have listed the possible topics yesterday and it is up to the Vice Premier what he thinks is most suitable.

Teng: And you have travelled the world several times in the past year and we are willing to listen to whatever you would like to say to us or whatever you think necessary to tell us, or whatever you find interesting to have an

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exchange of views on. If you are interested, you might begin with the southern flank of Europe.

Kissinger: All right. Mr. Habib would like me to try to convince you to vote with us on the Korean question, but I don't think I can do that in one hour. [Laughter] He has approached everyone except the Pope on that. [Laughter]

Well, on the southern flank of Europe, we have Portugal, Spain, Italy, Greece and Turkey. Each presenting a different situation.

In the case of Portugal, we find a situation where as a result of forty years of authoritarian rule, the democratic forces are not well organized, and where the political structure is very weak. The military have adopted some of the philosophy of African liberation movements, which they fought for 25 years. And the Communist Party of Cunhal, who spent his exile in Czechoslovakia -- which is a curious place as a choice of exile -- is very much under the influence of the Soviet Union. [Teng leans down beneath the table and spits into the spittoon beside his chair.]

In this vacuum, the Communist Party that I described achieved disproportionate influence, and for a while it seemed on the verge of dominating the situation. I think this trend has been arrested. And we are working with our West European friends to strengthen the forces that are opposed to Cunhal. Some of these forces unfortunately are better at rhetoric than at organization. But we think that the situation has improved, and we will continue to improve it.

Teng: We heard recent news that some of the military officers formerly under...

Chiao: ...Gonçalves.

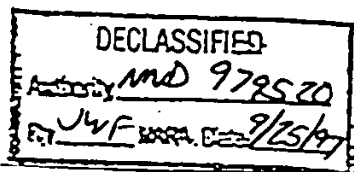
Teng: ...are prepared to stage a coup.

Kissinger: Yes. We had a report this morning they refused to turn over their weapons.

Teng: The news goes that they are preparing to do something on the 11th of November which is the date of the independence of Angola. News so specific as this can't be reliable.

Kissinger: No, I don't believe this. We have the report that there is one military unit that refuses to turn over its weapons. And there is no question

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Gonçaves is on the side of the Soviet Union. But we hope... We have been in touch with a number of other military leaders and we would certainly not approve such a coup and we will certainly oppose it.

Teng: But it is in our view that Portugal will see many reversals.

Kissinger: I agree.

Teng: And many trials of strength.

We are not in a position to do anything else in that part of the world. There is one thing that we have done. They have approached us many times for the establishment of diplomatic relations, which we have not agreed to. Our point of departure is very simple: That is, we do not want to do anything that would be helpful to any Soviet forces gaining the upper hand.

Kissinger: I think that is a very wise policy. We support Antunes and Soares. [Teng leans down and spits again.] Antunes was in Washington a few weeks ago and we are cooperating with him. But I agree with you that there will be many trials of strength. And the difficulty of our West European friends is they relax after a temporary success.

When we come back here in December, we will see the situation more clearly. But we are determined to resist a Soviet takeover there, even if it leads to armed conflict. It will not go easily. I mean, if they are planning a coup it will not be easy for them.

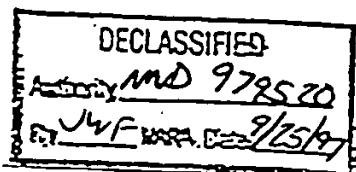
Now in Spain, the situation is more complicated. We have on the one hand a regime on its last legs, because Franco is very old. But on the other hand we do not want to repeat the situation of Portugal in Spain.

We have been approached on a number of occasions by the Spanish Communist Party, but we consider it is controlled from Moscow. What is your assessment?

Teng: There are contradictions between the Spanish Communist Party and the Soviet Union. Among the revisionist Communist parties in Europe it can be said that the contradictions between the Spanish Communist Party and the Dutch Communist Party and the Soviet Union are comparatively deeper.

Kissinger: We have been negotiating a continuation of our base agreement with Spain, as you know. We will probably conclude this agreement within the next six weeks. We do this because we do not believe a shrinkage of American

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security interests in the Mediterranean is in the security interest of the world. [Teng spits again] Together with this, we are planning to set up a number of committees in the cultural and economic fields so that in the case of a new situation we have organic contacts with many levels of Spanish life.

Ch'iao: You mean after the regime is handed over to [Juan] Carlos?

Kissinger: Yes. We are setting up committees now in connection with the base agreement so that when Franco leaves we will not have to start, as we did in Portugal, looking around for contacts. We will have this infrastructure.

Teng: It is our impression that the influence of the Spanish revisionist party is not so deep as that of the Portuguese in the armed forces. I don't know whether your understanding would be the same.

Kissinger: One reason we need this base agreement is to stay in contact with the Spanish military. Our assessment is at the higher levels there is very little impact of what you call this revisionist party. At the lower levels, we have had some reports they are doing some recruiting.

Teng: The lowest levels do not play such a great role.

Kissinger: We have heard at the level of Captains. But at the commanding levels their influence can't be compared with the Portuguese situation.

Teng: But a captain is a very important man in African forces [Laughter] but perhaps not so in Europe.

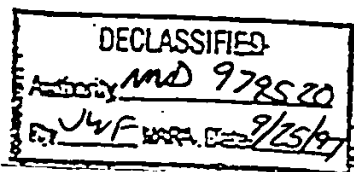
Kissinger: Not quite so in Europe. [Laughter]

Teng: What is your impression of the Spanish Prince?

Ch'iao: Carlos.

Kissinger: He is a nice man. Naive. He doesn't understand revolution and doesn't understand what he will face. He thinks he can do it with good will. But his intentions are good. He's a nice man. I don't think he is strong enough to manage events by himself.

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Teng: We heard that Franco was going to hand over power to him.

Kissinger: We hear that every six months. But Mrs. Franco likes the palace too much to leave. [Laughter]

Teng: He must be in his 80's by now.

Kissinger: Yes, and not very active. In fact, he has a tendency to fall asleep while you are talking to him. [Laughter] I've been there with two Presidents, and he has fallen asleep both times. In fact, he had -- when I was there with President Nixon -- a hypnotic effect. I saw him falling asleep, so I fell asleep. So the only two people awake were President Nixon and the Spanish Foreign Minister. [Laughter]

No, it would be better if he handed over the power.

Yeng: What do you think of Yugoslavia?

Kissinger: We are concerned about Yugoslavia. We are concerned that a number of things could happen after Tito's death. There could be a separatist movement from some of the provinces. There could be a split within the Yugoslav Communist Party. Both of these could be supported by the Soviet Union. And there could be Soviet military intervention.

Teng: During the recent visit of the Yugoslav Prime Minister Mr. Bijedic, we gained from what he said, although in different words, that they are also quite worried about such matters themselves.

Kissinger: In Montenegro -- you know this -- they discovered Soviet activities within the country.

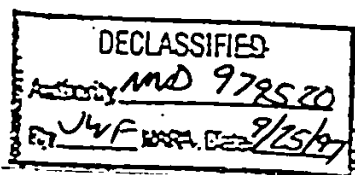
Teng: Yes, but then they were able to find out about all these espionage activities and do something to end these activities.

Kissinger: Yes, but it shows the tendency of Soviet policy.

Teng: Indeed.

Kissinger: We are very interested in the independence and independent policy of Yugoslavia. And you have noticed that in the last year both the President and I have paid separate visits to Yugoslavia. And we are going to begin selling them military equipment within the next few weeks.

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Teng: That will be very good. You must know that this nation is a very militant one. Although there are some contradictions among the various nationalities. And it seems to me that one of their relatively strong points is that they are comparatively clear-minded about the situation they face.

Kissinger: Yes. They will certainly fight if there is an invasion.

Teng: We have also posed this question to our European friends. That is, if there occurs a Soviet invasion of Yugoslavia, what will happen? And they felt that this was a difficult issue. And perhaps a similar question will confront you. Of course I do not ask you for an answer now. [They laugh.]

Kissinger: No, I can give you an answer. It is a difficult question. It is politically a difficult question and it's strategically a difficult question. We are now doing some military planning for this contingency. I can tell you this -- you can keep secrets; I am not so convinced about all of my colleagues [laughter] -- we have asked General Haig, in his capacity as American Commander, to do some planning.

T'ang: About Yugoslavia?

Kissinger: Yes. [There is some commotion on the Chinese side.]

Teng: The Chairman will be prepared to meet you at 6:30. [The Secretary and Ambassador Bush exchange glances.] So, what... you are in a dilemma about your program [because of Ambassador Bush's reception for the Secretary scheduled for the International Club.]

Kissinger: No. He [Bush] has a dilemma. I would be delighted.

T'ang: How many people would you be prepared to take with you?

Kissinger: The Ambassador, Mr. Lord...

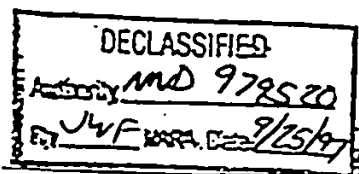
Wang: Would your wife be going?

Kissinger: Has she been invited?

Wang: It is up to you.

Teng: We are willing to listen to your request or your opinion. It is up to you to suggest whom you would like to take on your side and whom you would like

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participating in the meeting and whom you would like to have shake hands.

Kissinger: Then I think... Can everyone here shake hands, and my wife? And then for the meeting Ambassador Bush, Mr. Lord, and Mr. Habib.

Teng: You mean all those seated here and your wife?

Kissinger: Yes, if you can find my wife. [Laughter] She's probably out shopping.

T'ang: We will try to find her.

Kissinger: If you can find her, it will save me a lot of money. [Laughter]

T'ang: So she is in the shops now?

[The Secretary discusses with Sonnenfeldt where she might be or whether she will have departed for the reception.]

Kissinger: Maybe we can still catch her.

[Wang Hai-jung goes out.]

Teng: So perhaps we can continue for about 15 minutes, and then perhaps you can make various preparations. [He spits into his spittoon.]

Kissinger: What I have said to you about military preparations with respect to Yugoslavia is known only to the top leaders of three European governments. Schmidt knows about it, of course. But it is a very complicated problem logistically. Because our best means of entering is through Italy and that is logistically very difficult. We can perhaps talk about this again when we come back in a few weeks.

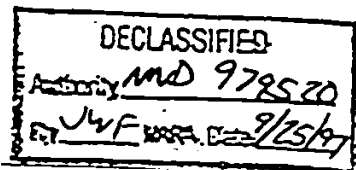
Teng: Yes, and recently Italy has returned the B Zone of Trieste to Yugoslavia. We believe this is quite good.

Kissinger: Yes.

[Nancy T'ang gets up to leave. Mrs. Shih moves to the table.]

Shih: She is going to make some preparations. I will take her place.

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Teng: So long as they have weapons in their hands, the Yugoslavs will fight.

Kissinger: We think so too. But as I said, we are starting in a few weeks to sell them some anti-tank weapons, and some other equipment.

Teng: We are thinking that in that area the main problem is conventional weapons and not nuclear weapons.

Kissinger: That is correct. Though any conflict that involves us and the Soviet Union is very complicated. It is bound to involve nuclear threats anyway. But the weapons we are selling to Yugoslavia are conventional weapons.

Teng: If the Soviet Union can control Yugoslavia, then the chessboard of Soviet strategy in Europe will become alive. The next will be Romania and Albania.

Kissinger: If the Soviet Union can get away with a military move on Yugoslavia, we will face a very grave situation. [Teng nods emphatically in agreement.] Which will require serious countermeasures.

Teng: For that not only involves military strategy; it will also have a very serious political influence. Its impact at least will spread to the whole of the southern flank.

Kissinger: I think that is correct. It will affect Italy and Germany, and France.

Teng: Also the Mediterranean. And the Middle East.

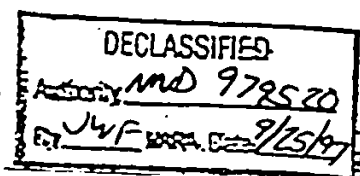
Kissinger: If this happens, whatever we do in Yugoslavia -- which depends on the circumstances in which things develop -- will lead to a very serious situation. We would not accept it. It will lead at least to serious countermeasures. It will not be like Czechoslovakia.

[Teng glances at his watch.]

What is your view on the Italian situation?

Teng: Well, one can hardly see the trend of the development of the situation in Italy. To us, it is all blank. We don't know how to look at the situation. Perhaps you know more clearly.

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Kissinger: Perhaps the Foreign Minister should stop on the way back from the UN to call on the Pope. Gromyko was there a few weeks ago. [Laughter]

Teng: Really?

Kissinger: Actually you could be helpful in Italy, we think. At least with some of the Socialists. The Christian Democratic Party has very weak leadership. [They nod in agreement.] Their Prime Minister, Moro, also has a tendency to fall asleep when you meet him. [Laughter]

Teng: They change their Prime Ministers several times in a year. I don't know how many times since the War.

Kissinger: Yes, but it's always the same group. But the ruling group of the Christian Democratic Party is not very disciplined.

We totally oppose what is called in Italy the "historic compromise." We do not give visas to Italian Communists to come to the United States.

[Secretary Kissinger and Mr. Sonnenfeldt confer.]

Teng: In my view the so-called "historic compromise" cannot succeed.

Kissinger: Well, it can succeed, but it will lead to a disaster for the non-Communist parties.

I've just been handed a telegram that they have put a Communist into an Italian Parliamentary delegation that is coming to Washington, that we didn't select.

But that is a secondary issue. We will totally oppose it.

Teng: We think, with regard to the situation in Italy, where our two sides differ is that we don't attach so much importance to whether the Communist Party of Italy gets the power. It is not significant.

Kissinger: No, it is of importance because it will have an effect on France and even in the Federal Republic. And it is of significance to the support that America can give to NATO if there is a government there with a large Communist Party in the government.

Teng: [Laughs] Such a so-called "historic compromise" was once effected by the French. That was shortly after the War, when deGaulle was in power. He let the Communist Party of France take part in the government, and Thorez was in power.

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Kissinger: But that was in a totally different situation. At that time they were declining, and not increasing.

Teng: The French Communist Party got several seats in the French Cabinet. One of them was the Minister of the Air Force, who was a Communist. [He laughs.] The decision to bomb Algeria was made by this man exactly. This we call their "performance on the stage."

Shall we end our talk here today? And prepare to meet the Chairman?

Kissinger: Can we leave from here?

Teng: Yes. We can take a short rest.

Kissinger: Okay.

Teng: But we will leave from here directly and meet you there.

[The meeting ended. The American party moved to another room to await Mrs. Kissinger, who arrived shortly, and then to depart for Changnanhai for the meeting with Chairman Mao Tsetung.]

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